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C O N F I D E N T I A L SECTION 01 OF 02 PORT AU PRINCE 001447

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SUBJECT: EXECUTIVE-LEGISLATIVE COMPROMISE BREWING OVER

CHIEF PROSECUTOR

REF: PORT AU PRINCE 1442

Classified By: Ambassador Janet A. Sanderson. Reason: 1.4 (b), (d)

11. (C) Summary: President Preval and Senate leaders are working on a compromise that will have Port-au-Prince Chief Prosecutor Claudy Gassant testify before the Senate, heading off a Senate threat to hold a no confidence vote against the Alexis government over Gassant's previous refusal to testify. Senate President Joseph Lambert is confident a face-saving solution will be found that will allow Gassant to testify and mollify Senate hotheads. Lambert also claims he has lined up a majority of Senators in support of the Alexis government should it ever come to a no confidence vote. The Prime Minister is confident that he and President Preval will prevail against Senate efforts to thwart Preval's program to solidify Haiti's democracy and pursue corruption. A resolution that keeps PM Alexis and Chief Prosecutor Gassant in office is in the interests of political stability and solidifying Haiti's still wobbly democratic institutions. End Summary.

SENATE PRESIDENT LAMBERT SEEKING COMPROMISE

- 12. (C) President of the Senate Joseph Lambert told the Ambassador August 28 that the Senate Justice Committee's invitation to Minister of Justice and Public Security Rene Magloire was delivered before Port-au-Prince Chief Prosecutor Claudy Gassant summoned businessman Reginald Boulos to court (reftel). Lambert called the timing of the two separate incidents an ''unfortunate coincidence.'' Lambert said the Senate overreacted to Gassant's August 22 refusal to testify before the Senate, but Gassant had not helped matters by replying that he ''answered only to the President.'' Lambert said PM Alexis told him he, the PM, wanted to make Gassant appear but was unable to do so. Lambert fingered Senators Rudolph Boulos (brother of Reginald) and Justice Committee President Youri Latortue as the instigators of the move to interpellate the entire Alexis cabinet unless Gassant appeared before the Senate or was dismissed.
- 13. (C) Lambert admitted he had also contributed to escalating tensions. When President Preval told him that Gassant was not sufficiently prepared to testify, Lambert had replied that Preval should not ''transform himself into a messenger for Claudy Gassant.'' Lambert claimed he then apologized to the President, and is presently seeking a compromise that would save face for both sides. Lambert planned to propose to Preval on August 28 that Preval ask Minister Magloire to write a letter to the Senate diplomatically deploring the previous failure of Gassant to appear, and volunteering to

testify before the Senate with Gassant on a date mutually convenient. Lambert stated that a majority of the Senate supported this tactic. PM Alexis, on the other hand, told Lambert he preferred to be called before the Senate for a confidence vote. Lambert speculated that Alexis' awareness that Lambert had secured a majority in the Senate in support of Alexis convinced Alexis there was no need to seek a compromise.

- 14. (C) The Ambassador noted that the private sector felt it was being unfairly targeted in corruption investigations. There was the appearance that the public sector was being spared. She noted that there had been arrests of certain customs officials, but these had not been publicized. Lambert thought the President was trying to induce the private sector to pay their back taxes quietly, in order to augment state revenue. He said Preval should not try to create fear in the private sector.
- 15. (U) Press reports August 29 stated that President Preval met with unnamed Senators the evening of August 28, and they agreed to have Minister Magloire write the Senate requesting to appear with Prosecutor Gassant before the Senate Justice Committee. Gassant was quoted in radio reports August 28 making conciliatory remarks that he was prepared to testify.

PM ALEXIS UNTROUBLED

16. (C) In an August 28 meeting with the Ambassador, Prime Minister Jean Edouard Alexis appeared unfazed by the confrontation, saying he faced it ''serenely.'' The recent anti-drug operations (conducted by DEA in cooperation with the Haitian National Police in early August, netting several

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traffickers) had struck fear into many parliamentarians who were close to illicit business, according to Alexis. Not knowing where law enforcement would strike next, they saw obstruction and confrontation as their only option. He averred that parliament had no right to summon a judicial official such as Gassant. Alexis declared that the public opposed the Senate's actions. Haiti has made major progress on security, and the President and GOH are now turning their sights on corruption, especially on the 200-year Haitian tradition of smuggling. Alexis stated the GOH's goal is to increase government revenue as a percentage of GDP from the current 8-9 percent to the Caribbean average of 15 percent. He said the GOH and President Preval would not be deterred from this program.

- 17. (C) When the Ambassador pointed to the perception among the private sector that they are being unfairly targeted, Alexis criticized them for seeking impunity for past legal lapses, ''wiping the slate clean,'' in exchange for promising to pay their taxes and not bribe officials in the future. The GoH is not ''targeting'' the private sector, he said. In fact, Alexis confided, two senior customs officials were now under investigation. He conceded that Port-au-Prince Prosecutor Claudy Gassant's abusive public manner betrayed the weaknesses of his youth and irritated legislators. Alexis said that Gassant needs to improve his public posture and respect lines of authority. Alexis pleaded for understanding, as the GOH is working with a very corrupt judicial system. Gassant is ''eccentric'' but effective. The Ambassador assured the Prime Minister that the USG's law enforcement cooperation with the GOH will continue.
- 18. (C) The Prime Minister held out the possibility there would be further changes in his cabinet. He said there were issues of competence and even loyalty in the case of certain ministers, and said he requested of the President changes in the cabinet. Alexis speculated that future confrontations with parliament might cost additional ministers, or even himself, their jobs.

19. (C) Private sector anxiety at being subjected to corruption investigations, corrupt interests in the Senate, and Prosecutor Gassant's public manner have all fed into the political immaturity of Haiti's leading political actors to produce a confrontation of the legislature and the government. The issue now is saving face for the Senate -- where most take Prosecutor Gassant's defiance as an insult to the legislative branch -- and for the government as well. Lambert has fashioned a compromise that could work. It is imperative that this dust-up be resolved in a way that leaves the government free to continue to grapple with the most important issues of security, corruption-fighting, and the economy. SANDERSON